

§ 1703.312 RUS review requirements.

Borrowers shall ensure that funds are invested in the rural development project as approved by RUS. The Administrator reserves the right to review the books and copy records of borrowers receiving loan payment deferments as necessary to ensure that the investments in the rural development project are in accordance with this subpart and the representations and purposes stated in the borrower's completed application. If an audit discloses that the amount deferred was not used for the purposes stated in the completed application, the borrower shall be required to promptly repay the amount deferred and the benefits of the deferment to the borrower will be recaptured by RUS. The borrower is responsible for ensuring that disbursements and expenditures of funds covering the investment in the rural development project are properly supported with certifications, invoices, contracts, bills of sale, cancelled checks, or any other forms of evidence determined appropriate by the Administrator and that such supporting material is available at the borrower's premises for review by the RUS field accountant, borrower's certified public accountant, the Office of Inspector General, the General Accounting Office and any other accountant conducting an audit of the borrower's financial statements for this rural development program.

§ 1703.313 Compliance with other regulations.

(a) Investments in a rural economic development project made by an electric borrower under this subpart are subject to the provisions of 7 CFR part 1717, Subpart N, Investments, Loans and Guarantees by Electric Borrowers.

(b) Investments in a rural economic development project made by a telephone borrower under this subpart are subject to the provisions of 7 CFR Part 1744, Post Loan Policies and Procedures Common to Guaranteed and Insured Loans.

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AUTHORITY: 5 U.S.C. 301, 7 U.S.C. 901 *et seq.*

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Subpart A—General Requirements

§ 1709.1 Purpose.

The purpose of the Rural Utilities Service (RUS) Assistance to High Energy Cost Rural Communities Program is to help local communities meet their energy needs through direct loans and grants for energy facilities in qualifying extremely high energy cost communities, grants and loans to the Denali Commission for extremely high energy cost communities in Alaska, and grants to States to support revolving funds to finance more cost effective means of acquiring fuel in qualifying communities. This subpart sets forth definitions and requirements which are common to all grant and loan programs in this part administered by the RUS Electric Program under section 19 of the Rural Electrification Act of 1936, as amended (RE Act) (7 U.S.C. 918a).

§ 1709.2 Policy. [Reserved]

§ 1709.3 Definitions.

Administrator means the Administrator of the Rural Utilities Service

(RUS), United States Department of Agriculture (USDA).

Agency means the Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), or a successor agency.

Census block means the smallest geographic entity for which the U.S. Census Bureau collects and tabulates decennial census information and which are defined by boundaries shown on census maps.

Census designated place (CDP) means a statistical entity recognized by the U.S. Census Bureau comprising a dense concentration of population that is not within an incorporated place but is locally identified by a name and which has boundaries defined on census maps.

Electric program means the office within RUS, and its successor organization, that administers rural electrification programs authorized by the Rural Electrification Act of 1936 (RE Act) (7 U.S.C. 901 *et seq.*) and such other programs so identified in USDA regulations.

Extremely high energy costs means community average residential energy costs that are at least 275 percent of one or more home energy cost benchmarks identified by RUS and based on the latest available information on national average residential energy expenditures as reported by the Energy Information Administration (EIA) of the United States Department of Energy.

Financial assistance means a grant, loan, or grant-loan combination issued under this part.

Home energy means any energy source or fuel used by a household for purposes other than transportation, including electricity, natural gas, fuel oil, kerosene, liquified petroleum gas (propane), other petroleum products, wood and other biomass fuels, coal, wind and solar energy. Fuels used for subsistence activities in remote rural areas are also included.

High energy cost benchmarks means the criteria established by RUS for eligibility as an extremely high energy cost community. Extremely high energy cost benchmarks are calculated as 275 percent of the relevant national average household energy benchmarks.